

## AIR TRANSPORT SERVICES

*Agreement signed at Asunción February 28, 1947, with annex*

*Ratified by Paraguay February 16, 1948*

*Entered into force February 16, 1948*

62 Stat. 1940; Treaties and Other  
International Acts Series 1753

### AIR TRANSPORT AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF PARAGUAY

The Government of the United States of America and the Government of the Republic of Paraguay, having in mind the resolution signed under date of December 7, 1944, at the International Civil Aviation Conference in Chicago, for the adoption of a standard form of agreement for air routes and services, and the desirability of mutually stimulating and promoting the further development of air transportation between the United States of America and the Republic of Paraguay, agree that the establishment and development of air transport services between their respective territories shall be governed by the provisions of the present agreement, for which purpose they have resolved to designate their respective plenipotentiaries, to wit:

The President of the United States of America: Mr. Leslie E. Reed, Chargé d'Affaires ad interim of the United States of America, near the Government of Paraguay;

The President of the Republic of Paraguay, His Excellency Don Federico Chaves, Minister of Foreign Relations and Worship;

Who, after exchanging their full powers, which they have found to be in good and proper form, have agreed upon the following articles:

#### ARTICLE 1

Each contracting party grants to the other contracting party the rights as specified in the Annex hereto necessary for establishing the international air routes and civil air services therein described, whether such services be inaugurated immediately or at a later date at the option of the contracting party to whom the rights are granted.

## ARTICLE 2

Each of the air services so described shall be placed in operation as soon as the contracting party to whom the rights specified in the aforesaid Annex have been granted has designated the airline or airlines which are to operate the route or routes stipulated, and the contracting party granting the rights shall, subject to Article 6 hereof, be bound to give the appropriate operating permission to the airline or airlines authorized; provided that said airline or airlines may be required to qualify before the competent aeronautical authorities of the contracting party granting the rights under the laws and regulations normally applied by these authorities before being permitted to engage in the operations contemplated by this agreement; and provided that in areas of hostilities or of military occupation, or in areas affected thereby, such inauguration shall be subject to the approval of the competent military authorities.

## ARTICLE 3

In order to prevent discriminatory practices and to assure equality of treatment, both contracting parties agree that:

(a) Each of the contracting parties may impose or permit to be imposed just and reasonable charges for the use of public airports and other facilities under its control. Each of the contracting parties agrees, however, that these charges shall not be higher than would be paid for the use of such airports and facilities by its national aircraft engaged in similar international services.

(b) Fuel, lubricating oils and spare parts introduced into the territory of one contracting party by the other contracting party or its nationals, and intended solely for use by aircraft of such contracting party shall, with respect to the imposition of customs duties, inspection fees or other national duties or charges by the contracting party whose territory is entered, be accorded the same treatment as that applying to national airlines and to airlines of the most-favored-nation.

(c) The fuel, lubricating oils, spare parts, regular equipment and aircraft stores retained on board civil aircraft of the airlines of one contracting party authorized to operate the routes and services described in the Annex shall, upon arriving in or leaving the territory of the other contracting party, be exempt from customs, inspection fees or similar duties or charges, even though such supplies be used or consumed by such aircraft on flights in that territory.

## ARTICLE 4

Certificates of airworthiness, certificates of competency and licenses issued or rendered valid by one contracting party shall be recognized as valid by the other contracting party for the purpose of operating the routes and services described in the Annex. Each contracting party reserves the right, however,

to refuse to recognize, for the purpose of flight above its own territory, certificates of competency and licenses granted to its own nationals by another State.

#### ARTICLE 5

(a) The laws and regulations of one contracting party relating to the admission to or departure from its territory of aircraft engaged in international air navigation, or to the operation and navigation of such aircraft while within its territory, shall be applied to the aircraft of the other contracting party, and shall be complied with by such aircraft upon entering or departing from or while within the territory of the first party.

(b) The laws and regulations of one contracting party as to the admission to or departure from its territory of passengers, crew, or cargo of aircraft, such as regulations relating to entry, clearance, immigration, passports, customs, and quarantine shall be complied with by or on behalf of such passengers, crew or cargo of the other contracting party upon entrance into or departure from, or while within the territory of the first party.

#### ARTICLE 6

Each contracting party reserves the right to withhold or revoke the certificate or permit of an airline of the other contracting party in the event it is not satisfied that substantial ownership and effective control of such airline are vested in nationals of the other contracting party or in case of failure by the airline designated by the other contracting party to comply with the laws and regulations of the contracting party over whose territory it operates as described in Article 5 hereof or otherwise to fulfill the conditions under which the rights are granted in accordance with this agreement and its Annex.

#### ARTICLE 7

This agreement and all contracts connected therewith shall be registered with the Provisional International Civil Aviation Organization or its successor.

#### ARTICLE 8

Existing rights and privileges relating to air transport services which may have been granted previous to this agreement by either of the two contracting parties to an airline of the other contracting party shall continue in force according to their terms.

#### ARTICLE 9

This agreement or any of the rights for air transport services granted thereunder may, without prejudice to Article 8 above, be terminated by either of the two contracting parties upon giving one year's notice to the other contracting party.

## ARTICLE 10

In the event either of the contracting parties considers it desirable to modify the routes or conditions set forth in the attached Annex, it may request consultation between the competent authorities of both contracting parties, such consultation to begin within a period of sixty days from the date of the request. When these authorities mutually agree on new routes or conditions affecting the Annex, their recommendations on the matter will come into effect after they have been confirmed by an exchange of diplomatic notes.

## ARTICLE 11

Except as otherwise provided in this agreement, or its Annex, any dispute between the contracting parties relative to the interpretation or application of this agreement, or its Annex, which cannot be settled through mutual consultation shall be submitted for an advisory report to the Interim Council of the Provisional International Civil Aviation Organization (in accordance with the provisions of Article III, Section six (8) of the Provisional Agreement on International Civil Aviation signed at Chicago on December 7, 1944<sup>1</sup>) or to its successor, unless the contracting parties agree to submit the dispute to an arbitration tribunal designated by agreement between the same contracting parties, or to some other person or body. The contracting parties will use their best efforts under the powers available to them to put into effect the opinion expressed in any such report.

## ARTICLE 12

This agreement, including the provisions of the Annex hereto, will come into force immediately after its approval in conformity with the laws of the respective countries.<sup>2</sup>

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed the present agreement.

Done at Asunción this twenty-eighth day of February, 1947.

LESLIE E. REED [SEAL]

FEDERICO CHAVES [SEAL]

<sup>1</sup> EAS 469, *ante*, vol. 3, p. 929.

<sup>2</sup> By note S.T. no. 16 of Feb. 17, 1948, the Paraguayan Minister of Foreign Relations and Worship notified the American Ambassador at Asunción that the Paraguayan Government, "by Decree-Law No. 24,967 of February 16 of the current year, . . . has approved and ratified the Air Transport Agreement." In his reply, note no. 22 Feb. 19, 1948, the American Ambassador declared: ". . . my Government considers that the signature affixed to the Agreement on its behalf constitutes the approval of the Agreement by the Government of the United States of America."

ANNEX TO AIR TRANSPORT AGREEMENT BETWEEN THE UNITED STATES  
OF AMERICA AND THE REPUBLIC OF PARAGUAY

SECTION I

A. Airlines designated by the United States of America in conformity with Article 2 of the present agreement are accorded rights of transit and nontraffic stop in the territory of the Republic of Paraguay, as well as the right to pick up and discharge international traffic in passengers, cargo, and mail at Asunción, on the following routes via intermediate points in both directions:

1. The United States (via Peru and/or Bolivia) to Asunción and beyond.
2. The United States (via Brazil) to Asunción and beyond.

On each of the above routes the airline authorized to operate such route may operate nonstop flights between any of the points on such route omitting stops at one or more of the other points on such route.

B. Airlines designated by the Republic of Paraguay in conformity with Article 2 of the present agreement are accorded in the territory of the United States of America rights of transit and nontraffic stop, as well as the right to pick up and discharge international traffic in passengers, cargo, and mail at a point in the United States to be agreed to at a later date.

SECTION II

It is agreed between the contracting parties:

(A) That the air carriers of the two contracting parties operating on the routes described in Section I of this Annex shall enjoy fair and equal opportunity for the operation of the said routes;

(B) That the air transport capacity offered by the carriers of both countries should bear a close relationship to traffic requirements;

(C) That in the operation of common sections of trunk routes the air carriers of the contracting parties should take into account their reciprocal interests so as not to affect unduly their respective services;

(D) That the services provided by a designated air carrier under this agreement and its Annex shall retain as their primary objective the provision of capacity adequate to the traffic demands between the country of which such air carrier is a national and the country of ultimate destination of the traffic;

(E) That the right to embark and to disembark at points in the territory of the other country international traffic destined for one or coming from third countries at a point or points specified in Section I of this Annex shall be applied in accordance with the general principles of orderly development

to which both Governments subscribe and shall be subject to the general principle that capacity shall be related:

1. To traffic requirements between the country of origin and the countries of destination;
2. To the requirements of through airline operation, and
3. To the traffic requirements of the area through which the airline passes after taking account of local and regional services.